

Electronic Health Record (EHR) Incentive Payment Program - Hospital Program Overview



The Division of Health Care Finance shall develop and maintain a coordinated health policy agenda that combines the effective purchasing and administration of health care with promotion oriented public health strategies.

Agenda

- Health Information Technology (HIT) and Health Information Exchange (HIE) Background and Goals
- Medicaid Electronic Health Record (EHR) Incentive Program
 - Background and Goals
 - EHR Incentive Program Basics
- State Medicaid HIT Plan (SMHP) and Implementation Advanced Planning Document (IAPD)
- Timeline for Medicaid EHR Incentive Program Payments
- Next Steps and Resources

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Terminology

AHRQ – Agency for Healthcare Research Quality

ARRA – American Recovery and Reinvestment Act

CMS – Centers for Medicare and Medicaid Services

EHR – Electronic Health Record

HIE – Health Information Exchange

HIT – Health Information Technology

ONC – Office for the National Coordinator for HIT

SMHP – State Medicaid HIT Plan



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What is HIT?

HIT is the use of information and communication technology in health care.

HIT can include:

- Electronic health or medical records (EHR or EMR)
- Smart cards/swipe cards and bar coding
- E-mail communication, clinical alerts and reminders
- Hand-held devices and peripherals
- Computerized decision support systems (CDS or CDSS)
- Personal health records (PHR)
- Other technologies that store, protect, retrieve and transfer clinical, administrative, and financial information electronically within health care settings (e.g. e-prescribing)



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Health Information Technology Goals

- KDHE's overall mission in the area of HIT and HIE is to promote and achieve widespread adoption and meaningful use of HIT, with an emphasis on the use of this technology to exchange health information, improve health care delivery, and implement a medical home for all Medicaid recipients.

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Health Information Technology Goals

- Medicaid can play a key role in supporting widespread HIT adoption in Kansas because the Kansas Medicaid program currently covers nearly 14.9 percent of the Kansas population, and will grow significantly following implementation of coverage expansions in 2014.
- KDHE's goal is to work with Kansas Medicaid providers as an effective way to encourage HIT adoption and use for these purposes.

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Kansas Medicaid HIE Goals

With input from the Kansas HIT Medicaid Stakeholder Group, the KDHE has established the following HIE goals for the Medicaid program in Kansas:

- Utilize the HIE to gather data needed to document and measure qualification for Medicaid incentive payments;
- Utilize the HIE as needed to gather data and fill gaps in order to compute quality measures and to help manage and coordinate care to ensure meaningful use for Medicaid beneficiaries – regardless of their connection to a primary care medical home;
- Utilize the HIE to facilitate a Medical Home and patient centered care for each individual; and
- Utilize the HIE to measure meaningful use.

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What is the Medicaid EHR Incentive Payment Program?



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EHR Incentive Program

Vision and Goals

Vision: To improve the quality and coordination of care by connecting providers to patient information at the point of care through the meaningful use of EHRs



Goals: Increased quality, awareness, coordination, and system redesign through enhanced data collection

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Electronic Health Record – Key Benefits

- Improve and Increase of Care Coordination and Public Health
- Quality of Care
- Time and Billing Efficiency
- Evolving Standard of Care
- Information Security and Patient Safety
- Engage Families and Beneficiaries
- Improve Public Health Tracking and Reporting
- Facilitates Meaningful Use Achievement
- Stimulus Funding



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Medicaid Electronic Health Record Incentive Program

- The Medicaid EHR incentive program will provide incentive payments to eligible professionals (EPs), eligible hospitals (EHs), and critical access hospitals (CAHs) that are meaningful users of certified EHRs for efforts to adopt, implement, upgrade, or meaningfully use certified EHR technology.
- The 2009 American Reinvestment and Recovery Act (ARRA) included new initiatives and significant funding for increased EHR adoption including the Medicare and Medicaid EHR incentive programs
- States receive 100 percent Federal funding for the provider incentive payments, 90 Fed/10 State match for program administration expenses.



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Who's Eligible?



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Medicaid EHR Incentive Program

Basics – Hospital Eligibility

- One CMS Certification Number (CCN) = one hospital

To be eligible for the Medicaid EHR Incentive Program, a hospital must fall into one of the following categories:

- Acute Care Hospital
 - Average length of stay is less than or equal to 25 days (state fiscal year)
 - CCN range (0001-0879; 1300-1399)
- Cancer Hospital
- Children's Hospital (CCN 3300-3399)
- Critical Access Hospital



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Medicaid EHR Incentive Program

Basics – Hospital Eligibility

- Volume Requirements – Hospitals must have a 10 percent Medicaid patient volume threshold (Children's hospitals have no Medicaid patient volume threshold)
- In addition to meeting the volume eligibility requirements, hospitals will need the following to register for the Medicaid EHR Incentive Program:
 - CMS Identity and Access Management (I&A) User ID and Password (can be setup when registering for the program)
 - CMS Certification Number
 - National Provider Identifier (NPI)
 - Hospital Tax Identification Number

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Medicaid EHR Incentive Program

Basics – Patient Threshold Eligibility

Total Medicaid encounters in any representative, continuous 90-day period in the preceding hospital/facility fiscal year

Divided by

Total encounters in the same 90-day period

- As mentioned earlier, hospitals (with the exception of children's hospitals) must meet 10% Medicaid Patient volume each year
- Definition of Encounter: Services rendered to an individual per inpatient discharge or in an emergency department on any one day where:
 - Medicaid, or a Medicaid demonstration grant, paid all or part of the premiums, co-payments or cost-sharing; or
 - Medicaid, or a Medicaid demonstration grant, paid for all or part of the service

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Medicaid EHR Incentive Program

Basics – Hospital Payments

Overall EHR Amount * Medicaid Share

Overall EHR Amount =
{Sum over 4 year of [(Base Amount (\$2 million) +
Discharge Related Amount Applicable for Each Year) *
Transition Factor Applicable for Each Year]}
*

Medicaid Share =
{(Medicaid inpatient-bed-days +
Medicaid managed care inpatient-bed-days) ÷
[(total inpatient-bed days) *
(estimated total charges minus charity care charges) ÷
(estimated total charges)]}

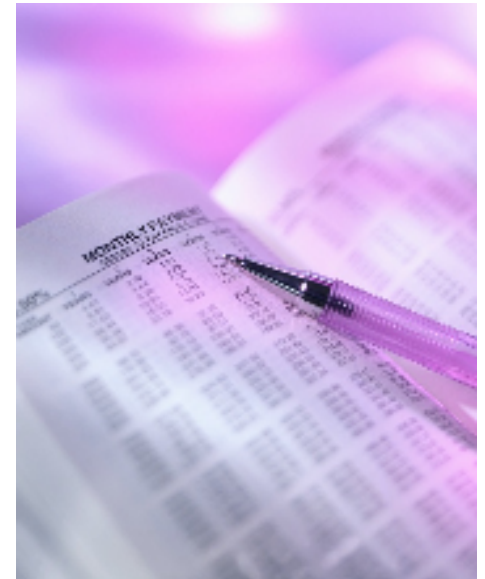
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Medicaid EHR Incentive Program

Basics – Hospital Payments

- \$2 million base + per discharge amount (based on Medicare / Medicaid share)
- There is no maximum incentive amount
- Payments based on Federal Fiscal Year
- Hospitals meeting Medicare meaningful use requirements may be deemed eligible for Medicaid payments
- Medicaid hospitals: Cannot initiate payments after 2016



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SMHP and IAPD

- CMS must approve a State Medicaid Health Information Technology Plan and an Implementation Advanced Planning Document before Kansas can make EHR incentive payments.
- The SMHP will describe:
 - KDHE's plan for administering and overseeing the Medicaid EHR Incentive Program.
 - Kansas's HIT Roadmap and the role of the Medicaid program in the state's overall plan to advance and achieve meaningful use of electronic health information.
- The IAPD will describe the State's budget request for funds to administer the Medicaid EHR Incentive Program and make payments.

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Tentative Timeline for Kansas Medicaid SMHP and Provider Incentive Payments

- August 2011: KDHE submitted SMHP and IAPD to CMS for approval.
- September - October 2011: CMS will provide KDHE SMHP approval.
- September - November 2011: KDHE will begin preparations for EHR Incentive Payments.
- **Early 2012: KDHE will make first incentive payment in early calendar year 2012.**



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Next Steps?



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Medicaid EHR Incentive Program Basics – Registering for Payments

- Medicaid Eligible Hospitals must register on the CMS Registration and Attestation website*;
and
- Medicaid Eligible Hospitals must register and attest with the State. Website address not yet available.



* http://www.cms.gov/EHRIncentivePrograms/20_RegistrationandAttestation.asp#TopOfPage

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Medicaid EHR Incentive Program Basics

– Registering for Payments (cont)

- For the first year's payment, Eligible Hospitals must attest that that they have Adopted, Implemented, or Upgraded (AIU) to a certified EHR System.
 - AIU includes:
 - For newly certified EHR - adoptions (purchase and installation)
 - For existing certified EHR – upgrades to certified EHR releases (as needed)

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Medicaid EHR Incentive Program Basics – Pre-Application Readiness

- Review materials about EHR, HIT, and the incentive program.
<http://www.kdheks.gov/hcf/hite/default.htm>
https://www.cms.gov/EHRIncentivePrograms/01_Overview.asp
- Determine EHR incentive program eligibility:
http://www.cms.gov/EHRIncentivePrograms/55_EducationalMaterials.asp#TopOfPage
- Enroll and participate as a Medicaid provider, apply:
<https://www.kmap-state-ks.us/public/Enrollment%20Application.asp>

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Resources

- KDHE website:
<http://www.kdheks.gov/hcf/hite/default.htm>
- CMS Overview of Medicaid EHR Incentive Program:
https://www.cms.gov/EHRIncentivePrograms/01_Overview.asp
- CMS Eligibility Wizard – helps determine eligibility for Medicaid EHR Incentive Program:
https://www.cms.gov/EHRIncentivePrograms/15_Eligibility.asp
- National Institutes of Health (NIH) – CMS Videos:
<http://videocast.nih.gov/PastEvents.asp?c=80>

Please submit your questions to:
Diane Davidson at DDavidson@KDHEks.gov or
Colletta Gales at CGales@KDHEks.gov

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www.kdheks.gov/hcf

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